

Salem Area Mass Transit District
Board of Directors

~ **WORK SESSION** ~

January 11, 2016
Courthouse Square – Senator Hearing Room
555 Court Street NE, Salem, Oregon 97301

MINUTES

PRESENT: President Robert Krebs; Directors Jerry Thompson, John Hammill, Marcia Kelley, Kathy Board Lincoln, and Steve Evans **ABSENT:** Colleen Busch

Staff Allan Pollock, General Manager; David Trimble, Chief Operating Officer; Paula Dixon, Director of Administration; Ted Stonecliffe, Long-Range Planning Analyst; Kristian Sorensen, Technology Support Services Analyst; Linda Galeazzi, Executive Assistant

Guests Dale Penn II, SAMTD Legislative Advocate; CFM Strategic Communications; E.M. Easterly, citizen member. SAMTD Budget Committee

1. CALL TO ORDER / ANNOUNCEMENTS

5:30 PM

President Bob Krebs called the work session to order.

Mr. Pollock introduced David Trimble as Salem-Keizer Transit's newly hired Chief Operating Officer. Mr. Trimble's first day on the job was today.

Mr. Trimble spoke about his background in transportation for the past twenty years in both the public and private sector. He came to the District from TriMet where he was the Director of Transportation Programs. He wanted to come to a smaller community where he can help with the mission. He plans to move to the area.

2. DISCUSSION

a. Update on Process for ODOT Grant Programs

5:31 PM

Staff report: Pages 1-28 of the agenda

Presented by: Ted Stonecliffe, Long-Range Planning Analyst

In December 2015, the Oregon Department of Transportation (ODOT) announced that there was \$18.7 million in grants for public transit in the Special Transportation Fund's (STF) Discretionary Grant Program; the Capital Investment Program; and the Transit Network Discretionary Grant Program (TND).

Mr. Stonecliffe provided an overview of the funding available for each program, the eligible activities, the project selection criteria, the grant award process and the timelines for each. The STF Discretionary Grant Program that is competitive on a regional and statewide basis is only applicable to projects that will improve the transit network for seniors and disabled individuals. ODOT's Region 2 includes Marion and Polk counties; as well as all counties from Clatsop County in the north to Lane County in the south, minus the Portland metro area. There is \$1.956 million available for projects based on the proportion of Oregon's 65+ residents living in each region.

Salem-Keizer Transit, as the state-designated STF agency for Marion and Polk Counties,

coordinates the grant process for these funds. The application and instructions were released to the public via email and a public notice published in the Statesman Journal newspaper on December 14, 2015. The application deadline is 12:00 p.m. on January 15, 2016. Project proposals will be presented before the STF Advisory Committee's Technical Advisory Committee (TAC) on January 25. The TAC will make their recommendations to the STFAC on February 2, 2016. The STFAC will provide their recommendations to the SAMTD Board of Directors for approval at the February 25th Board meeting. The application is due to ODOT by March 11, 2016. The final decision is made by the Public Transit Advisory Committee (PTAC). The Oregon Transportation Commission receives the decision in June 2016; and agreements are executed in July 2016.

b. 2016 Legislative Priorities

5:48 PM

Staff report: Pages 29-40 of the agenda
Presented by: Allan Pollock, General Manager
Dale Penn II, SAMTD Legislative Advocate

The 2016 legislative session begins on February 1, 2016. Staff has been working with CFM Strategic Communications, the District's legislative consultant to identify federal and state priorities and projects for annual appropriations and grant opportunities to bring to the Board at the January 28th Board meeting for adoption for 2016.

Mr. Penn remarked that the Salem Area Chamber of Commerce is facing an uphill battle with their legislative concept LC163 to create a Transit Expansion Fund. Mr. Pollock noted that the Oregon Transit Association would discuss this legislative concept at their meeting scheduled for tomorrow. The concept to use a state match rather than local funds was first developed by Julie Brown from Rogue Valley Transit District.

Other state legislative items being worked on are a fix for the energy incentive tax credits, a letter from the Governor concerning the District being a federal 5339 grant recipient, the state bus pass program and operations funding.

c. Proposed Legislative Initiative

6:12 PM

Staff report: Pages 41-42 of the agenda
Presented by: President Robert Krebs

During the 2015 legislative session there was a proposal for a payroll tax paid by employees and self-employed in the transportation bill. This tax would have generated funds for Tri Met and Lane Transit District. The Oregon Transit Association began looking at a similar tax that would be statewide in scope.

President Krebs asked that the Board consider the idea of developing a statewide payroll tax for transit as a Legislative Concept for the 2017 session. Unlike the 2015 ballot measure, this payroll tax would be paid by employees and the self-employed. The proposed tax rate would be .01% of pay for city, metro and regional transit. Another .007% would be dedicated to intercity services for both operations and infrastructure; and would include Amtrak and multi-county bus services such as Greyhound.

The combined tax rate of .017% would generate \$1.02 for every \$600 of pay. According to Estimates, SKT would receive about \$5.8 million from Marion and Polk Counties to support Cherriots, CARTS and other rural services. All employees and the self-employed including government workers would pay the tax.

In most counties, distribution of funds would be made through the STF Agency. SKT holds

that position in Marion and Polk Counties. In counties with multiple transit operators such as Lane, Clackamas and Washington, the distribution formula might need to be adjusted to make sure all get a fair share.

This will be a topic for the Board retreat when it is re-scheduled. If this proposal is to move forward, the Legislative Concept needs to be submitted by June to get in the "pipeline" to be sure that transit is in the Transportation Bill in 2017.

Director Kelley said, technically speaking, it would be an income tax. Currently, SMART, TriMet and Lane Transit District are being paid from payroll tax.

Mr. Pollock explained the concept is a modified version of what the Governor's visionary panel is looking at. It was introduced to the Oregon Transit Association at last month's meeting. Mr. Penn added that the OTA advised the Governor's Office what would be good for transit. They are looking to the OTA to have that voice at the table.

d. Potential State Employee Bus Pass Program

6:23 PM

Staff report: Pages 43-46 of the agenda

Presented by: Allan Pollock, General Manager

Mr. Pollock reported that he and Dale Penn II have been in meetings with the State Finance Office to discuss a proposed agreement for a state employee bus pass program and Airport Road express shuttle. The discounted fares and hourly rate for the shuttle would include an inflation rate to be negotiated. The offer includes all State employees in the Capitol Mall area.

Mr. Penn said Peter Courtney and his staff are very supportive but want to be solid in their defense of the program.

Director Hammill was glad to hear the program would bring the commuters back.

Director Kelley noted that there were 10,000 State employees working outside of the Capitol Mall area.

e. Update on Process for Selection of Budget Committee Citizen Member

6:37 PM

Staff report: Pages 47-52 of the agenda

Director Busch was unable to attend the work session so there was no verbal update about a recommendation or selection process of a citizen member to the Budget Committee other than what was in the staff report.

f. Reschedule Board Retreat

6:40 PM

Staff report: Pages 53-54 of the agenda

Presented by: President Robert Krebs

Staff will send out a Doodle poll to see what dates work best for Board members to attend an all-day planning retreat beginning with January 30, February 6, February 20 and February 27.

3. GENERAL MANAGER COMMENTS

6:41 PM

Staff report: Pages 55-58 of the agenda

Presented by: Allan Pollock, General Manager

Board members reviewed their calendar of scheduled meetings and other events, a draft agenda of the January 28, 2016 board meeting and a list of upcoming board meeting and work session agenda items. Staff will send out a reminder to all Budget Committee members about the upcoming Basic Local Budget Law Workshop that is offered free by the Oregon

Department of Revenue on Tuesday, February 16 from 9:00 a.m. to 3:30 p.m. at the Linn County Fair and Expo Center in Albany, Oregon.

Director Lincoln asked about the lease sign in the window on the first floor of Courthouse Square. Mr. Pollock explained that there were potential occupiers ready to sign the lease. The District was making tenant improvements that should be complete in 30 days.

4. WORK SESSION ADJOURNED

6:48 PM

Recorded by: Linda Galeazzi, Executive Assistant/Clerk of the Board